

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
CenturyLink Petition for Limited Waiver)	WC Docket No. 10-90
)	
of Certain High-Cost Universal Service)	WC Docket No. 05-337
)	
Rules)	

TRANWORLD NETWORK, CORP.

TransWorld Network, Corp. (“TransWorld”) respectfully submits these Comments opposing CenturyLink’s Petition for Limited Waiver of certain high-cost universal service rules (“Petition”).¹ As explained herein, CenturyLink attempts to obtain universal service funding to provide service in rural areas already served by an unsubsidized carrier, contrary to the new universal service funding requirements established in the *USF/ICC Transformation Order and FNPRM*,² and therefore its Petition should be denied. To bolster its fatally flawed Petition, CenturyLink relies on factual inaccuracies and unsupported conclusions, all of which do not withstand scrutiny, as demonstrated in these Comments.

CenturyLink does not hide the true motives of its Petition to use universal service funding to compete with unsubsidized competitors in their service area: “CenturyLink seeks a waiver that would permit it to spend CAF funds on any community that, according to the NBM [National Broadband Map], is “served” only by a WISP [Wireless Internet Service Provider], and at least one of the following conditions applies – [coverage of the WISP has not been independently verified or the service offerings of the WISP are

¹ *In the Matter of Connect America Fund*, et al., WC Docket No. 10-90 et al, CenturyLink Petition for Waiver, filed June 26, 2012 (“Petition”).

² *Connect American Fund et al.*, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663 (2011) (*USF/ICC Transformation Order and FNPRM*); *pets. for review pending sub nom. In re: FCC 11-161*, No. 11-9900 (10 Cir. Filed Dec. 18, 2011).

“technologically inferior to wireline broadband”].”³ Throughout its pleading, CenturyLink makes unsupported conclusions that “they [WISPs] are no substitute for wireline broadband services,”⁴ “the services offered by the listed WISPs are inadequate substitutes for wireline broadband services,”⁵ and “their [WISPs] services are most clearly inadequate as substitutes for the robust, scalable wireline broadband services CenturyLink hopes to offer.”⁶ Equally clear is that CenturyLink, like the WISPs, could offer broadband services throughout its service area, but CenturyLink has chosen not to do so without universal service funding. By contrast, the WISPs have deployed broadband services (without universal service funding) that are obviously of great value to consumers, who have elected to receive service from WISPs. Unable or unwilling to compete with the WISPs, CenturyLink looks to federal subsidies to “unlevel” the playing field to receive universal service funding to compete with unsubsidized WISPs. For all of the reasons explained herein, the Commission should deny CenturyLink’s request for waiver of the high-cost universal service rules.

BACKGROUND INFORMATION ON TRANSWORLD

TransWorld provides high-speed broadband service and interconnected voice over the Internet protocol voice telephony service to residential and business consumers in Arizona and other states. TransWorld’s high-speed broadband service is provided under the brand name Wi-Power® High-Speed Internet and includes dedicated high-speed access to the Internet. TransWorld’s voice service is provided under the brand name Wi-Power® Digital Phone Service and includes advanced services and features, such as call forwarding, call waiting, caller ID, and voicemail. All of TransWorld’s service offerings come with

³ CenturyLink Petition at p. 2.

⁴ CenturyLink Petition at p. 11.

⁵ CenturyLink Petition at p. 4.

⁶ CenturyLink Petition at p. 4. If up to CenturyLink, WISPs would be limited to serving areas where “wireline deployment is simply not feasible.” Basically, CenturyLink envisions a world where ILECs are the monopoly provider of broadband services, which stands in direct contravention to years of pro-competitive laws and policies aimed at opening markets to competition and providing consumers with the benefits of choice.

customer service 24 hours a day, 7 days per week. TransWorld primarily serves rural, under and un-served communities. TransWorld's wireless network provides a reliable, affordable communication for consumers. Through agreements with Rural Electric Cooperatives, TransWorld has established a physical presence in the communities in which it provides service. In addition, TransWorld maintains several physical points of presence in rural communities, including, but not limited to, interconnection facilities at fiber junctions, cell sites and access points, inventory storage facilities, and field service locations.

TransWorld uses fixed wireless communications facilities to serve consumers' basic and advanced communications needs. The core of TransWorld's network infrastructure is an Internet Protocol ("IP") based self-healing network, providing extremely reliable transport for services such as voice, data and video services. Traffic-flow within TransWorld's network has integrated dynamic intelligence to select the optimum path available and prioritize service classes based on network management policies. TransWorld has designed its broadband network to employ two types of wireless topologies for the last mile and middle mile segments. The point-to-point ("PTP") segments of the network are typically used for backhaul paths between two sites. The backhaul solution is a carrier-grade wireless Ethernet bridge using radio licenses issued by the Commission. TransWorld's network is engineered with resource control mechanisms that deliver a quality of service similar to the public switched telephone network ("PSTN"). Performance and service availability within TransWorld's network is measured and held to the highest of technological standards today. This is accomplished by being able to meet the delay, jitter, and packet loss requirements during any network conditions, including times of high-traffic load, stress, and primary path failures. All the elements within TransWorld's network are held to carrier-class uptime standards. For connectivity to end user customers, TransWorld uses spectrum, including unlicensed spectrum, assigned by the Commission to deliver broadband and voice telephony services.

TransWorld has designed its network to maintain service to customers during

power outages. All TransWorld sites are equipped with back-up power, either battery backup units or uninterrupted power supplies (“UPS”) and/or on-site generators. For outages lasting beyond the range of the UPS units, TransWorld maintains multiple portable generators, ready for immediate deployment, throughout its service territory. Outages are closely monitored to ensure timely deployment of these units. TransWorld also maintains redundancy among key sites so that customer traffic can be rerouted, as necessary. TransWorld handles traffic spikes that may arise in emergency situations by taking advantage of the added capabilities of redundant facilities.

DISCUSSION

The Commission Has Previously Addressed CenturyLink’s Arguments With Respect To The National Broadband Map

The Commission has previously addressed CenturyLink’s arguments with respect to the National Broadband Map (“NBM”), concluding that the NBM is a “reasonable and efficient means to identify areas that are, in fact, unserved:”

We acknowledge that some have claimed that the National Broadband Map is not completely accurate. Nevertheless, we find that using it in this way, along with our requirement that carriers certify that the areas to which they intend to deploy are unserved to the best of each carrier’s knowledge, is a reasonable and efficient means to identify areas that are, in fact, unserved, even if there might be other areas that are also unserved.

USF/ICC Transformation Order at para. 146, footnote 231. CenturyLink argues the NBM does not accurately depict the coverage of the WISPs, claiming the WISPs’ coverage contours do not seem likely given geographic considerations and line-of-sight restrictions. CenturyLink provides no drive tests or other engineering data to support its assertions, but instead argues that, because state commissions did not independently verify the accuracy of the WISP coverage maps, the Commission should blindly accept CenturyLink’s unsupported arguments. As the Commission, however, has correctly recognized, the NBM is a reasonably and efficient means of identifying areas that are unserved for purposes of

Connect America Fund Phase I incremental support. At the same time, the Commission has initiated an inquiry to address issues with respect to the NBM:

We therefore seek comment on how to identify the areas eligible for the Remote Areas Fund while the model is unavailable. We propose to provide support to those census blocks in price cap territories that are identified by National Broadband Map data as having no wireline or terrestrial wireless broadband service available, subsidized or unsubsidized. We seek comment on this proposal. Could this test be used as a proxy for identifying extremely high-cost areas? Is the National Broadband Map data sufficiently granular? Given that it is reported voluntarily by broadband providers, may the data be considered reliable enough for this purpose? Is there a risk that use of that metric would result in overlap with areas that likely would be supported by Mobility Fund monies or by funding made available post-state-level commitment? Could any overlap be addressed by making areas ineligible to the extent they are supported by other CAF funds? Given the goal of increasing broadband availability quickly, might the benefits of permitting overlaps for some time period outweigh the costs? Are there other data sources that could be used in conjunction with National Broadband Map data to improve our identification of remote areas? Are there alternative methods to using National Broadband Map data that the Commission could use to identify those remote areas in which CAF support should be available? What would be the advantages and disadvantages of such methods?

USF/ICC Transformation Order and FNPRM at para. 1230. The Commission should not now compromise its broader inquiry and data gathering on the most appropriate method for determining areas eligible for universal service funding by opening the doors to more ad hoc requests, like the Petition by CenturyLink, to determine unserved areas.

The Commission Has Previously Dismissed ILEC Arguments That Competitor Service Offerings Are Inferior To ILEC Offerings and Therefore Should Be Given Preferential Treatment

In its *Second Order on Reconsideration*, the Commission addressed, and dismissed, very similar arguments by the Independent Telephone & Telecommunications Alliance (“ITTA”) that independent local exchange carrier (“ILEC”) service offerings should be the standard for establishing eligibility for universal service funding.

ITTA, joined by several carriers, also asks that we permit carriers receiving CAF Phase I incremental support to deploy broadband to locations that are served by another broadband provider but where the service offered by that other provider does not meet defined service characteristics. They propose that the other provider

offer service of at least 768 kbps sustained download speed, with a usage limit no lower than 53 gigabytes per month, all at a price no higher than the month-to-month price of the highest price for a similar product from a wireline provider in the state.

We decline to adopt this proposal for several reasons. We acknowledge that some consumers may live in areas ineligible for CAF Phase I support even though the broadband available to them does not currently meet our goals. The Commission chose in CAF Phase I, however, to focus limited resources on deployments to extend broadband to some of the millions of unserved Americans who lack access to broadband entirely, rather than to drive faster speeds to those who already have service. We are not persuaded that the decision about the more pressing need was unreasonable. Moreover, we are not persuaded that permitting CAF Phase I recipients to overbuild other broadband providers represents the most efficient use of limited CAF Phase I support. In addition, we conclude that we do not have an adequate record at this time to make a determination about how high a competitor's price must be—either alone or in combination with usage limits—before we would support overbuilding that competitor, a critical component of petitioners' request.

Second Order on Reconsideration at para. 14-15.⁷ Raising these same arguments, CenturyLink now asks the Commission to make a specific finding with respect to the Wireless Internet Service Providers ("WISPs") identified in its Petition. In an attempt to bolster the previous arguments of the ILECs, CenturyLink provides a summary document that purportedly identifies the rates, terms and conditions of WISP service offerings; however, as demonstrated below, the CenturyLink Petition contains numerous factual inaccuracies that should not be relied upon by the Commission to perpetuate the ILEC dominance in the marketplace at the expense of consumer access to competitive service offerings.

TransWorld's Coverage As Shown On The NBM Is Accurate And CenturyLink's Claims Are Not Supported By The Evidence

CenturyLink provides a coverage map of TransWorld in Arizona and then claims that the depiction of coverage is "plainly inaccurate."⁸ CenturyLink provides no support for these claims, instead stating that "no WISP service, operating on high frequencies and amid

⁷ *Connect America Fund et al.*, WC Docket No. 10-90 et al., Second Order on Reconsideration, FCC 12-47 at para. 14-25 (released April 25, 2012) ("*USF/ICC Second Report and Order*").

⁸ CenturyLink Petition at p. 5.

geographic and other obstructions, could possibly serve all customers within such large and neatly defined radii.”⁹ CenturyLink contends that TransWorld’s coverage in Arizona is inaccurate because it includes “an area much greater than 10 miles of unbroken coverage” and “difficult terrain,”¹⁰ but provides no support for these conclusions. CenturyLink’s general assertions fail to recognize the specific facts that support TransWorld’s coverage as depicted on the NBM. For example, TransWorld has a cell site in the Texas Canyon section of Arizona, but CenturyLink fails to recognize that TransWorld also has at least four additional access points in and around the Texas Canyon area that enables TransWorld to serve “an area much greater than 10 miles of unbroken coverage” and “difficult terrain.” TransWorld has designed its network to meet the coverage needs of consumers and believes that the NBM accurately reflects its coverage in Arizona. Furthermore, TransWorld is continuing to expand its coverage, so even those areas that may be “unserved” on the NBM may be served in the near future.

Nevertheless, in its blind attempt to paint a picture of inadequate coverage by WISPs to support its Petition, CenturyLink ignores facts that otherwise would establish the inaccuracy of its coverage claims. CenturyLink also generally claims that “WISP services, too, are badly degraded or simply unavailable whenever anything obstructs a clear line of sight between the transmitter and the customer’s receiver,”¹¹ which ignores the fact that TransWorld has deployed both line of sight and near line of sight equipment, as well as remote access points, to ensure near ubiquitous coverage. Clearly, as these uncontroverted facts demonstrate, there is no support for CenturyLink’s coverage arguments and therefore its Petition should be denied.

⁹ CenturyLink Petition at p. 5-6.

¹⁰ CenturyLink Petition, Exhibit D, Arizona Coverage Maps.

¹¹ CenturyLink Petition at p. 10.

TransWorld's Broadband Service Offering Is Not Accurately Reflected By CenturyLink In Its Petition

CenturyLink argues that WISPs have too high prices,¹² impose data caps,¹³ have capacity constraints,¹⁴ and suffer service degradation as more customers obtain service.¹⁵ Once again, CenturyLink makes these general allegations, but provides no documentation or any other evidence to support its claims.

For example, CenturyLink incorrectly contends that TransWorld's estimated annual rate is \$740.40 based upon a monthly recurring rate of \$40.95 and an installation charge of \$249.00. However, TransWorld's actual annual rate for service at 1.5 Mbps download and 512 Kbps upload is approximately \$500.00. TransWorld does not impose an installation charge of \$249.00; instead, customer installation charges vary from \$0 to \$99.00.

Next, CenturyLink contends that all WISPs impose a cap on the data used by customers, ignoring carrier specific facts. TransWorld does not impose a data cap on its broadband service offerings, as CenturyLink contends. TransWorld is also able to meet the various high-speed data communications needs of consumers, including providing super high speed data services at 177 Mbps or higher.

Turning to service quality, CenturyLink argues that the service quality of WISP offerings suffer as more customers are served, but provides no support for this statement, except to say that wireless service is impacted by interference and capacity constraints.¹⁶ TransWorld, however, has implemented many tools to meet the service level expectations of consumers. For example, TransWorld interconnects at the 1 Gbps level and uses licensed pathways to provide robust capacity throughout its coverage area. The licensed pathways use the Cambium's PTP 800 platform and operate at 170 Mbps to 260 Mbps depending

¹² CenturyLink Petition at p. 11-13.

¹³ CenturyLink Petition at p. 14.

¹⁴ CenturyLink Petition at p. 1, 8, and 14.

¹⁵ CenturyLink Petition at p. 14.

¹⁶ CenturyLink Petition at p. 12-13.

upon the channel selected, which then allows for very high capacity bandwidth delivery to meet individual customer needs. CenturyLink's assertion that TransWorld would be "hamstrung" to meet future capacity demands by subscribers is not correct. In fact, elements of TransWorld's wireless network are configured to meet future bandwidth utilization needs through software upgrades. ILECs, on the other hand, would need to add additional lines of service and network facilities to meet future bandwidth utilization needs. CenturyLink also inaccurately compares WISP service to Wi-Fi, which, apparently unbeknownst to CenturyLink, is based upon a different technology.

CONCLUSION

As demonstrated in these Comments, the CenturyLink Petition suffers from factual inaccuracies and unsupported conclusions, which, together with prior Commission decisions to use the NBM for determining unserved areas in Phase I of the Connect American Fund, requires denial of the request for waiver of the high-cost universal service rules.¹⁷

Respectfully submitted,

TRANSWORLD NETWORK, CORP.

By: / Colin Wood/
Colin Wood
Chief Executive Officer
TransWorld Network, Corp.
255 Pine Ave., N
Oldsmar, Florida 34677
813-891-4700

Dated: July 12, 2012

¹⁷ The Comments filed by the Washington Utility and Transportation Commission (filed on July 10, 2012) and the Minnesota Department of Commerce (filed on July 11, 2012) accept at face value the assertions of CenturyLink in its Petition, but, as demonstrated herein, the CenturyLink Petition suffers from factual inaccuracies and unsupported conclusions and therefore should be denied.